

Daufuskie Island Utility Company, Inc.
Water and Wastewater Systems
Combined Operating Statement

	Company Pro Forma Proposed Rates	Revised ORS Pro Forma Proposed Rates	PSC Directive		Pro Forma Proposed Rates
			Pro Forma Present Rates	Adjustments	
Operating Revenue:					
Residential	\$710,786	\$514,330	\$312,153	\$313,657	\$625,810
Commercial	287,589	241,135	146,277	114,342	260,619
Irrigation	213,238	201,180	99,193	83,860	183,053
Availability Billing	992,880	933,626	485,761	415,328	901,089
Misc. Other Revenue	63,229	46,623	30,197	27,949	58,146
Interdepartmental Sales	0	0	0	0	0
Billing Adjustments	0	1,498	0	0	0
Total Revenues	2,267,722	1,938,392	1,073,581	955,136	2,028,718
Operating Expense:					
Wages	164,752	176,590	176,590	0	176,590
Benefits	10,686	6,200	6,200	0	6,200
Director's Fees	16,500	16,500	16,500	0	16,500
Sludge Disposal	0	0	0	0	0
Power	166,718	130,181	130,181	0	130,181
Chemicals	9,510	9,020	9,020	0	9,020
Supplies & Maintenance	28,543	27,116	27,116	0	27,116
Outside Services-Mgmt	171,364	132,211	171,365	0	171,365
Outside Services-Engineering	8,013	10,137	10,137	0	10,137
Outside Services-Accounting	2,762	2,761	2,761	0	2,761
Outside Services-Legal	23,178	23,178	23,178	0	23,178
Outside Services-Testing	92,289	92,288	92,288	0	92,288
Outside Services-Other	38,622	38,621	38,621	0	38,621
Other Operating Expenses	0	0	0	0	0
Transportation	2,756	2,450	2,450	0	2,450
Bad Debt	30,852	190,127	105,383	93,778	199,161
Insurance	48,322	38,913	38,913	0	38,913
Regulatory Commission Expense	15,636	15,636	15,636	0	15,636
Other A&G Expenses	36,436	36,438	36,438	0	36,438
Accepted ORS Adjustment	0	(46,033)	(46,033)	0	(46,033)
Total O&M Expense	866,939	902,335	856,744	93,778	950,523
Depreciation	95,266	82,560	82,560	0	82,560
Amortization of Rate Case Exp	206,076	54,477	90,794	0	90,794
Amortization of Deferred Property Tax		65,855	65,855	0	65,855
Revenue Taxes	14,320	16,592	9,196	8,181	17,377
Property Taxes	192,301	192,301	192,301	0	192,301
Payroll Taxes	13,732	13,212	13,212	0	13,212
State and Federal Income Taxes	260,495	174,109	0	176,371	176,371
Total Operating Expenses	1,649,129	1,501,441	1,310,664	278,331	1,588,994
Net Operating Income	\$618,593	\$436,951	(\$237,082)		\$439,723
Rate Base	\$7,085,475	\$5,867,632	\$5,894,128		\$5,894,128
Rate of Return	8.73%	7.45%	-4.02%		7.46%
Revenue Increase	108.9%	80.6%			89.0%
Interest Expense	\$180,680	\$142,783			\$143,227
Operating Margin	19.3%	15.2%			14.6%

Notes:

- A Restored Management Fees.**
B Allows ORS's Rate Case Expense with 3 year amortization.
C Fall-out amounts impact Revenue Tax, Income Taxes, Bad Debt Expense and Working Capital rate base allowance.

Daufuskie Island Utility Company, Inc.
Revenue Impact Analysis
Test Year Revenue - Existing Rates

WATER

Customer	Classification	Consumption	Usage Charge	Units	Base Charge	Revenue
Haig Point-Residential	3/4" Meter			1,061	\$62.09	\$65,877
	0 to 22,500 gals.	8,360,179	\$2.76			\$23,074
	Over 22,500 gals.	3,192,728	\$2.76			\$8,812
Haig Point-Irrigation				727		
	0 to 18,000 gals.	8,367,838	\$2.76			\$23,095
	18,001 to 60,000 gals.	9,829,270	\$3.09			\$30,372
	Over 60,000 gals.	10,049,342	\$3.50			\$35,173
Melrose-Residential	3/4" Meter			452	\$80.72	\$36,485
	0 to 22,500 gals.	4,105,940	\$0.00			\$0
	Over 22,500 gals.	2,177,808	\$2.44			\$5,314
Melrose-Irrigation				100		
	0 to 18,000 gals.	1,368,330	\$1.66			\$2,271
	18,001 to 60,000 gals.	2,002,230	\$1.66			\$3,324
	Over 60,000 gals.	2,986,298	\$1.66			\$4,957
Haig Point-Commercial	Metered			106	\$86.93	\$9,215
	0 to 22,500 gals.	2,413,190	\$2.76			\$6,660
	Over 22,500 gals.	2,132,690	\$2.76			\$5,886
Melrose-Commercial	Metered			329	\$136.60	\$44,941
	0 to 22,500 gals.	1,752,659	\$0.00			\$0
	Over 22,500 gals.	2,544,703	\$2.44			\$6,209
Water Service Total		61,283,205		2,775		\$311,667

SEWER

Customer	Classification	Consumption	Usage Charge	Units	Base Charge	Revenue
Haig Point-Residential	3/4" Meter			1,061	\$110.38	\$117,113
	0 to 22,500 gals.	8,360,179	\$1.32			\$11,035
	Over 22,500 gals.	3,192,728	\$1.32			\$4,214
Melrose-Residential	3/4" Meter			448	\$80.72	\$36,163
	0 to 22,500 gals.	3,926,008	\$0.00			\$0
	Over 22,500 gals.	2,296,390	\$1.77			\$4,065
Haig Point-Commercial	Metered			102	\$178.21	\$18,177
	0 to 22,500 gals.	2,362,530	\$1.32			\$3,119
	Over 22,500 gals.	2,132,690	\$1.32			\$2,815
Melrose-Commercial	Metered			329	\$136.60	\$44,941
	0 to 22,500 gals.	1,559,487	\$0.00			\$0
	Over 22,500 gals.	2,436,565	\$1.77			\$4,313
Water Service Total		26,266,577		1,940		\$245,955

REVENUE SUMMARY:

Total Residential Water and Sewer Service Revenues				\$312,153
Total Commercial Water and Sewer Service Revenues				\$146,277
Total Irrigation Service Revenues				\$99,193
Total Water and Sewer Service Revenues				\$557,623
Availability Billing-Water	Haig Point	1,917	\$31.04	\$59,504
	Melrose	1,617	\$76.36	\$123,474
	Bloody Point	368	\$76.36	\$28,100
Availability Billing-Sewer	Haig Point	1,917	\$55.19	\$105,799
	Melrose	1,617	\$85.08	\$137,574
	Bloody Point	368	\$85.08	\$31,309
Total Water and Sewer Availability Revenues				\$485,761
Misc. Other Revenue	Other			
	Return Check Fees			
	Late Fees-Metered Sales			
	Late Fees-Availability			
Total Misc. Other Revenue				\$30,197
Total Operating Revenue				\$1,073,581

Daufuskie Island Utility Company, Inc.
Revenue Impact Analysis
Test Year Revenue - Proposed Rates

WATER								
Customer	Classification	Consumption	Usage Charge	Units	Base Charge	Revenue	Increase Amt.	Increase %
Haig Point-Residential	3/4" Meter			1,061	\$140.09	\$148,635	\$82,758	125.6%
	0 to 22,500 gals.	8,360,179	\$4.01			\$33,524	\$10,450	45.3%
	Over 22,500 gals.	3,192,728	\$4.01			\$12,803	\$3,991	45.3%
Haig Point-Irrigation				727			\$0	N/A
	0 to 18,000 gals.	8,367,838	\$4.41			\$36,902	\$13,807	59.8%
	18,001 to 60,000 gals.	9,829,270	\$5.21			\$51,211	\$20,838	68.6%
	Over 60,000 gals.	10,049,342	\$6.02			\$60,497	\$25,324	72.0%
Melrose-Residential	3/4" Meter			452	\$140.09	\$63,321	\$26,835	73.6%
	0 to 22,500 gals.	4,105,940	\$4.01			\$16,465	\$16,465	N/A
	Over 22,500 gals.	2,177,808	\$4.01			\$8,733	\$3,419	64.3%
Melrose-Irrigation				100			\$0	N/A
	0 to 18,000 gals.	1,368,330	\$4.41			\$6,034	\$3,763	165.7%
	18,001 to 60,000 gals.	2,002,230	\$5.21			\$10,432	\$7,108	213.9%
	Over 60,000 gals.	2,986,298	\$6.02			\$17,978	\$13,020	262.7%
Haig Point-Commercial	Metered			106	\$196.12	\$20,789	\$11,574	125.6%
	0 to 22,500 gals.	2,413,190	\$4.01			\$9,677	\$3,016	45.3%
	Over 22,500 gals.	2,132,690	\$4.01			\$8,552	\$2,666	45.3%
Melrose-Commercial	Metered			329	\$196.12	\$64,523	\$19,582	43.6%
	0 to 22,500 gals.	1,752,659	\$4.01			\$7,028	\$7,028	N/A
	Over 22,500 gals.	2,544,703	\$4.01			\$10,204	\$3,995	64.3%
Water Service Total		61,283,205		2,775		\$587,308	\$275,641	88.4%
SEWER								
Customer	Classification	Consumption	Usage Charge	Units	Base Charge	Revenue	Increase Amt.	Increase %
Haig Point-Residential	3/4" Meter			1,061	\$201.65	\$213,951	\$96,837	82.7%
	0 to 22,500 gals.	8,360,179	\$2.14			\$17,891	\$6,855	62.1%
	Over 22,500 gals.	3,192,728	\$2.14			\$6,832	\$2,618	62.1%
Melrose-Residential	3/4" Meter			448	\$201.65	\$90,339	\$54,177	149.8%
	0 to 22,500 gals.	3,926,008	\$2.14			\$8,402	\$8,402	N/A
	Over 22,500 gals.	2,296,390	\$2.14			\$4,914	\$850	20.9%
Haig Point-Commercial	Metered			102	\$282.31	\$28,796	\$10,618	58.4%
	0 to 22,500 gals.	2,362,530	\$2.14			\$5,056	\$1,937	62.1%
	Over 22,500 gals.	2,132,690	\$2.14			\$4,564	\$1,749	62.1%
Melrose-Commercial	Metered			329	\$282.31	\$92,880	\$47,939	106.7%
	0 to 22,500 gals.	1,559,487	\$2.14			\$3,337	\$3,337	N/A
	Over 22,500 gals.	2,436,565	\$2.14			\$5,214	\$902	20.9%
Water Service Total		26,266,577		1,940		\$482,176	\$236,221	96.0%
REVENUE SUMMARY:								
Total Residential Water and Sewer Service Revenues						\$625,810	\$313,657	100.5%
Total Commercial Water and Sewer Service Revenues						\$260,621	\$114,344	78.2%
Total Irrigation Service Revenues						\$183,053	\$83,860	84.5%
Total Water and Sewer Service Revenues						\$1,069,484	\$511,861	91.8%
Availability Billing-Water	Haig Point			1,917	\$100.86	\$193,349	\$133,845	224.9%
	Melrose			1,617	\$100.86	\$163,091	\$39,617	32.1%
	Bloody Point			368	\$100.86	\$37,116	\$9,016	32.1%
Availability Billing-Sewer	Haig Point			1,917	\$130.07	\$249,344	\$143,545	135.7%
	Melrose			1,617	\$130.07	\$210,323	\$72,749	52.9%
	Bloody Point			368	\$130.07	\$47,866	\$16,556	52.9%
Total Water and Sewer Availability Revenues						\$901,089	\$415,328	85.5%
Total Misc. Other Revenue						\$58,146	\$27,949	92.6%
Total Operating Revenue						\$2,028,719	\$955,138	89.0%